

Fiscal Assurance Process

To secure the members of the Middle Peninsula Juvenile Detention Commission against King George County will establish a \$250,000 escrow account to protect the members of the Middle Peninsula Juvenile Detention Commission against fiscal damage upon its withdrawal from the Commission.

A procedure for drawing on that account has been defined and is detailed in Section 4 b of the joint agreement contained in Resolution R00-37 and is:

Average Daily Population (ADP) - KG share	= Revised ADP
Number of Beds - Revised ADP	= Per Diem Variance
Per Diem Variance x Per Diem Rate x 365	= Payment due from King George

To explain that process, an example is shown below:

Example:

Based on historical data, King George uses 7.5% of the bed space and using an annual average daily population of 46:

ADP of 46 - KG share of 3.45 (7.5% of 46) = 42.55 (revised ADP)

Number of beds (48) - 42.55 (revised ADP) = 5.45 (per diem Variance)

Per Diem Variance of 5.45 x per Diem Rate of \$100 x 365 days =

Amount due from King George would be \$198,925.